

Format for Letter Requiring Operator to Perform Tests or  
Submit Economic Justification to Continue a  
Well in a Shut-in Status



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT

IN REPLY REFER TO:

3107 (Office Code)  
Serial No.

CERTIFIED MAIL--RETURN RECEIPT REQUESTED

Dear \_\_\_\_\_: or Gentlemen:

Our records show that well number \_\_\_\_\_, Federal Lease (Serial number), (Communitization Agreement (Serial number), if appropriate), (Name) County, (State), has been shut in since (Date: if precise date is unknown use the last day of the month for which production was reported). This well is the only well on the lease (communitization agreement) considered to be capable of producing oil or gas in paying quantities. In order for the lease (communitization agreement) to continue to be held by production, the well must remain capable of production in paying quantities. We have reviewed the data you submitted on your most recent well test and the (economic feasibility to construct and operate the necessary marketing facilities) (lack of market conditions to actually produce).

In order for us to continue to treat the well as an approved shut-in well, we require a current test of the well's capacity to produce oil or gas in paying quantities. The last test was conducted on (Date). Accordingly, you are requested to conduct appropriate test(s) of the well's capability to produce in paying quantities and submit the results to this office within 60 days of your receipt of this letter. The test(s) may be any appropriate tests, but are to include, as a minimum, the following: (Any specific directions from the authorized officer).

If you feel that such testing is unnecessary, please submit within 60 days of your receipt of this letter a justification for not performing the test(s) and continuing the well in a shut-in status.

Failure to meet the above requirement shall result in our conclusion that the well is no longer capable of producing in paying quantities.

Sincerely,

Field Office Operations  
Authorized Officer

Distribution:  
All lessees  
SO Fluid Lease Adjudication